

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY UTILITIES	)	
COMPANY FOR A CERTIFICATE OF	)	
CONVENIENCE AND NECESSITY TO	)	CASE NO.
APPLY FOR A FRANCHISE FOR THE	)	2000-442
LEXINGTON-FAYETTE URBAN	)	
COUNTY GOVERNMENT	)	

O R D E R

On September 18, 2000, Kentucky Utilities Company ("KU") filed with the Commission its application seeking a Certificate of Convenience and Necessity to qualify it to bid on a franchise offered by the Lexington-Fayette Urban County Government ("LFUCG") in Fayette County, Kentucky. Under the provisions of KRS 278.020(3), no utility may apply for a franchise from any governmental agency until it has obtained a Certificate of Convenience and Necessity from this Commission based on our finding that there is a need and demand for the service sought to be rendered. KU's current franchise with the LFUCG will, by its terms, soon expire and KU must therefore apply for a new franchise.

The Commission determines that there is evidence of continuing need and demand for electric service in Fayette County. Since the Commission's authority in such matters is limited by statute to finding only whether there is a need and demand for the service sought to be rendered, no finding or determination is made as to the qualifications of the bidder, the validity of any of the provisions of the franchises offered, or the manner in which any franchise fee is to be treated for rate purposes.

IT IS THEREFORE ORDERED that:

1. KU is granted a Certificate of Convenience and Necessity that authorizes it to bid on an electric franchise offered by the LFUCG.

2. KU, if it becomes the successful bidder, shall file with this Commission two copies of the franchise agreement.

3. This Order shall not be construed as granting a Certificate of Convenience and Necessity to construct utility facilities.

Done at Frankfort, Kentucky, this 2<sup>nd</sup> day of October, 2000.

By the Commission

ATTEST:

  
Executive Director